

HOUSE BILL 2051  
By DeBerry L

AN ACT to amend Tennessee Code Annotated, Title 47,  
Chapter 25, Part 3, relative to the unfair retailer's  
cigarette sales law.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 47-25-302, is amended by deleting the section in its entirety, and by substituting instead the following language:

§ 47-25-302. As used in this part, unless the context otherwise requires:

(1) "Basic cost of cigarettes" means the invoice cost of cigarettes to the retailer or the replacement cost of cigarettes to the retailer within thirty (30) days prior to the date of sale, in the quantity last purchased, whichever is lower, absent any cash or other discounts and/or concessions of any kind, to which shall be added the full face value of any stamps which may be required by any cigarette tax law of this state now in effect or hereafter enacted, and any other taxes or fees imposed by title 67, chapter 4, part 10, if not already included by the manufacturer in this list price;

(2) "Commissioner" means the commissioner of revenue;

(3) "Cost of doing business by the retailer" is eight percent (8%) of the basic cost of cigarettes to the retailer;

(4) "Cost to the retailer" means the "basic cost of cigarettes" to the retailer plus the "cost of doing business by the retailer";

(5) "Retailer" has the same meaning ascribed to the words "retail dealer" in § 67-4-1001;

(6) "Sell at retail", "sales at retail", or "retail sales" means and includes any transfer of title to tangible personal property for a valuable consideration made in the

ordinary course of trade or usual prosecution of the seller's business, to the purchaser for consumption or use; and

(7) "Tobacco distributor" or "person" has the same meaning as "tobacco distributor" as defined in § 67-4-1001(15).

SECTION 2. Tennessee Code Annotated, Section 47-25-310, is amended by designating the existing language as subsection (a) and by adding the following language as a new subsection (b):

(b) If a retailer participates in a manufacturer's incentive program, a discount price program or a special price program as provided in subsection (a), the retailer shall mail a copy of evidence of participation in such a program to the department of revenue within thirty (30) days of the date of such participation.

SECTION 3. This act shall take effect upon becoming a law, the public welfare requiring it.